Statement

Sl. No.	Name of the Company	Name of the item in production	Investment (Rs. in lakhs)
1	M/s. Gujarat Themis Bio-Syn. Ltd.	Erythromycin	1000 00 (inv. includes Rifampicin, Cephalexin & Griseofulvin projects also)
2	M/s. Shrishma Fine Chemicals	Aspirin (Expn.)	500.00 (existing)
3	M/s. FDC Pvt. Ltd.	(i) Diazepam (Expn.)	nil
		(ii) Etophylline	
4	M/s. Gujarat Lyka Organics Ltd.	(i) Ampicillin (Expn.) (ii) Cephalexin Monohydrate	430 00
		(iii) Cophradine	
5	M/s. Unique Chemicals	(i) 2-Methyl Imidazole	184 00
		(ii) 2-Methyl 5-Nitro Imidazole	
		(iii) Metronidazole	
6	M/s. Rama Organics Ltd.	Ibuprofen	103.42
7	M/s. Punjab Chemical and Pharmaceuticals Ltd.	Ibuprofen	37.00
8	M/s. Lupin Labs.	Rifampicin	150.00

Manufacturing of drugs through small scale units

993. SHRI R. SAMBASIVA RAO: Will the Minister of INDUSTRY be pleased to state:

(a) the names of the drug companies which have introduced their products during the last three years, yearwise, after getting them manufactured from small scale units alongwith names and composition of each;

(b) what is the price at which each is being sold alongwith the price fixed by his Ministry of other brands having same composition;

(c) the names of the products based on imported bulk drugs;

(d) whether it is a fact that these small scale units are importing bulk drugs either from principals or associates of the companies who are marketing those products;

(e) whether it is also a fact that these companies are importing bulk drugs at much higher price than the international price;

(f) whether his Ministry has any arrangement of monitoring such activities of transfer of pricing and overinvoicing; and

(g) if so, what are the details thereof along with the instances which have come to their notice?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) to (g) Instances of some companies marketing their products at their own prices after getting them manufactured from small scale units who are exempted from price control under the DPCO, 1979 have come to the notice of the Government. Such companies are free to do so under the DPCO, 1979. The other details called for in the question are quite voluminous and are are not readily available. Time and efforts required for collection of these will not

be commensurate with the results likely to be achieved.

Profitability of formulators

994. SHRI R. SAMBASIVA RAO: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that his Ministry did not study the profitability of individual formulators according to DPCO 1979;

(b) whether it is also a fact that due to non-study of profitability, most of the provisions of 1979 Drugs Price Control Order have not been implemented, price revisions linked profitability have not been granted and Government are not aware of irregularities/adjustments carried out by producers to depress their profits as well as the drug industry about decline of profit cannot be accepted without knowing the reasons;

(c) whether it is also a fact that his Ministry has proposed abolition of overall profitability; and

(d) if so, in the absence of profitability study, what system has been proposed in the measures to know the cases involving irregularities, adjustments, transfer of pricing, overinvoicing, actual profits and the methods of siphoning of profits by the Drug Industry?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROLEUM-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) and (b) As a result of study of from 6 returns submitted by various companies, M/s. Warner Hindustan and Infar (India) were found to have exceeded the permissible limits. Necessary action for adjusting the prices of formulations has already been taken.

(c) and (d) New Drug Price Control Order has not yet been announced by the Government.

Regularisation of unauthorised production of formulations

995. SHRI R. SAMBASIVA RAO: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that under para 6.13 of the new measures, his Ministry has proposed to regularise unauthorised production of formulations;

(b) whether it is also a fact that most of the formulations are vitamins preparations, tonics and other non-essential and useless medicines;

(c) if so, what are the names of those medicines which fall under categories III and IV of Drugs Price Control Order, 1979;

(d) what was the sales turn over of such products, of each company whose production is being regularised.

(e) what are the reasons for general regularisation of unauthorised production;

(f) whether it is also a fact that no study of individual cases has been done before such regularisation; and

(g) the names of bulk drugs for which unauthorised production is regularised alongwith category and production of each during the last three years, yearwise?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) Yes, Sir.

(b) No, Sir.

(c) Does not arise.

(d) Such details are not available with this Department.

(e) and (f) An Inter-Ministerial Working Group was set up in 1982 to examine the question relating to production of drugs without valid industrial approvals and to suggest possible line of action that may be taken. Details of measures for rationalisation, quality control and growth of pharmaceutical industry of India, giving rationale of each of the decision have